

Meeting of the Finance and Resources Committee

DRAFT MINUTES

Items considered confidential on the grounds of commercial or personal sensitivity are redacted from the published minutes

Date	Wednesday 8th May 2024
Time	18:00 to 19:30
Location	Via MS Teams
Present (Governors):	Paul Stedman (Committee Chair) Jesse Adekoya Craig Mahoney (Chair of Corporation) Christine Ricketts (Principal and Chief Executive)
In attendance	Allan Tyrer (Chief Operating Officer) Nolan Smith (Estates Project Manager, Fusion) – item 5 Jordi Garcia (Logixx) - Item 7 Melissa Drayson (Director of Governance)
Apologies for absence	Jesse Adekoya from 19:00
Quorum (3)	The meeting was quorate throughout

Item	Action lead
1. Preliminary items	
1.1 Welcome and apologies for absence The Chair welcomed colleagues to the meeting. Apologies were as listed above. The Director of Governance advised that there were currently two 'independent governor' vacancies on the committee. Gary Fahy, the support staff governor, had been invited to observe the meeting as part of his induction but was unable to attend.	
1.2 Declarations of interest There were no new declarations of interests relating to matters on the agenda. Previously declared interests were carried forward.	
1.3 Urgent other business No items of other business had been raised in advance.	
2. Minutes	

2.1 The Finance and Resources Committee minutes of 13th March 2024 were APPROVED as an accurate record and confidential sections were confirmed.

2.2 Matters arising

Supporting paper by the Director of Governance

It was noted that all actions from the previous meeting were on the agenda or due for report at the March meeting. The COO confirmed that he would provide a debtor policy within the revised financial regulations that would be brought to the June committee meeting.

3. People Termly Report

Supporting paper presented by the COO on behalf of the Head of People

The Committee considered the data from January to March 2024 for staff recruitment, absence and turnover. The breakdown of staff by age and gender was also noted.

Staff turnover had slowed with eight leavers between January and March. Of these, six had taken up exit interviews. Governors asked that a summary report from exit interviews be shared. Anecdotal feedback indicated that teacher workload was a factor.

Salary negotiations were becoming an increasingly common feature in staff recruitment, especially in hard-to-fill areas such as carpentry, electrical and brickwork.

Staff absence data also showed a decrease, but this was caveated as it was not certain that all absences were being recorded on the new system.

Comparison of staff EDI data with local borough (Elmbridge) statistics showed that, at 9.7%, fewer members of staff were from a non-white ethnic background compared to Elmbridge (18.6%). Disabled staff were also under-represented particularly at management levels. The reasons for these differences would be explored, including a review of recruitment processes, and discussed at the EDI committee.

The Committee noted the range of initiatives being launched to improve inclusivity among the staff team.

Progress against the People Strategy was noted, particularly success in being shortlisted for two awards; an increase in job applicants; and the launch of the staff wellbeing strategy.

AGREED: That a follow up report on action being taken to improve inclusive recruitment be brought back to the Committee.

Head of People

4. Finance

4.1 March 2024 Management Accounts

Supporting paper by the COO

Headlines from the management accounts were reported:

- The predicted year-end position was as reported previously

- Levels of confidence that income targets would be achieved were high
- Teachers Pension Scheme costs had risen, but were offset by grant funding.
- Non-pay costs were under budget, especially in estates where there were savings in maintenance costs for buildings that would be demolished as part of the campus redevelopment.
- Pay costs would be slightly over budget if all vacancies were filled. Agency costs had been contained through conversion of many posts to permanent. The remainder would be terminated promptly when teaching finished in the summer. In response to a questions about the cost of conversion fees, it was confirmed that the College had negotiated a favourable deal with the new agency.
- The balance sheet did not yet include the receipt from the property transaction. It was confirmed that this would be invested in a special account.
- Governors noted that the creditor level had decreased significantly and were advised that this was due to seasonal factors.

Governors asked how staff were given pensions advice by the college, and were advised that one-to-one support from an advisor was being provided as part of the Wellbeing strategy.

4.2 Update on budget and 3-5 year financial plan

The budget and plan now incorporated the 2024-25 16-18 allocation, including T-Level income. In addition, the new adult learning strategy was reflected along with apprenticeship growth and a continuation of the curriculum efficiencies work.

The evolving Higher Education partnership with LSBU was another potential source of increased income, although this had not been quantified.

The plan showed a growth in EBITDA which would, potentially, generate enough cash to repay the remaining ESFA debt and invest in teaching and learning.

It was noted, however, that numbers were based on assumptions around student enrolment and retention. It was hard to predict whether the estates development project would have a detrimental or positive impact on student recruitment. Governors were advised that, overall, applications for September 2024 were marginally lower than the same time the previous year, and the profile had changed with high applications for motor vehicle, construction and electrical.

In response to questions, it was explained that the adult learning strategy had been developed, with external consultant support, partly in response to changes in government policy. The strategy would enable the college to achieve its adult budget through offering more tailored learning, and free courses to adults.

AGREED: That the final version of the budget and financial plan would be brought back to the Committee on 26th June before being recommended to the Corporation for approval on 10th July 2024.

4.3 Finance regulations review – changes to procurement approval limits

The Committee supported the proposals to increase approval thresholds as they had not been reviewed in some time and were lower than many colleges. It was suggested that future increases should be built in as a percentage of college income.

The COO advised that the full financial regulations would be updated to comply with the new DfE College Financial Handbook and would be brought back to the June meeting for approval ahead of the implementation date of 1st August.

RESOLVED: That it be recommended to the Corporation that the revised financial approval thresholds be APPROVED.

4. Estates and facilities report

Supporting paper presented by Nolan Smith, Fusion

The Committee noted headlines from the report. The S106 agreement had now been signed and planning permission had been officially issued by Elmbridge Borough Council. This had triggered the six week period for a judicial review to be lodged. The completion date was now predicted to be 6 June. It was not anticipated that there would be any complaints during the JR period.

Following completion, Berkeley and Hawker buildings would be vacated and the containers would be moved. Notice had been served on the Air Cadets and the tenants of the Gatehouse. The Air Cadets would be given a room for storage and would use the Hub for activities. Repayment of funds to the ESFA would be made immediately on receipt of funds.

The profile of monthly grant payments for Capital Transformation Funding (FECTF) had been agreed with the ESFA, with all funds being drawn down by March 2025.

An invitation to tender had been issued for the Edge refurbishment which would take place in the Summer. Tenders from specialist cladding contractors for the Tower would also be sought, which would be separate from those for internal work to Barnes Wallis and Tower.

Governors noted that approval of tenders would be required over the summer and asked what other action would be required of them. The committee was advised that there would be a large number of pre-completion documents to sign off. These were all part of the original Cala sale agreement which was approved in February 2023 so would not require separate approval.

The Committee stressed the need for a health and safety risk register from the developers to combine with our own to gain a full risk picture. Assurance was given that this would be reviewed at the monthly consortium meeting between opposite number project managers.

AGREED: That the tenders for the Edge would be brought to the Committee on 26 June.

**COO/
Fusion**

6. Health and Safety termly report

Supporting paper presented by the Chief Operating Officer

The report was noted and the following matters were discussed:

- The contribution and expertise of the Health and Safety Governor was acknowledged. A request was made for key points from meetings with him to be recorded.
- It was suggested that accidents and incidents are recorded as a 'heatmap' to identify patterns and likelihood of future reoccurrences.
- Forty staff had now been trained as fire marshalls.
- Governors would be updated with the outcome of the visit by the Fire Chief that Friday.

The Principal reported that she was extremely pleased with the progress made by the premises team to get to the current position. The remaining tasks from the May 2023 Health and Safety action plan needed to be completed and the action plan closed out.

It was noted that the Health and Safety manager had left and would be replaced by a Health and Safety co-ordinator who would report into the Head of Estates. The Committee agreed that this would be a vital appointment in terms of continuing with the work in progress to further strengthen Health and Safety, especially with the imminent estates redevelopment.

6. IT Systems and Cyber Security Termly Report

6.1 Termly IT and Cyber-Security report

Supporting paper presented by the Head of Logixx IT

The Committee received an update on the volume of activity undertaken by the IT team. This had increased again since the previous report but response times were being maintained.

Cyber security remained an ongoing priority, as the number and type of threats changed and intensified, and required sufficient budget to keep on top of the risk. Governors asked if information was shared between colleges to warn each other about potential attacks. It was confirmed that JISC managed this communication.

A second internet line had now been provided by JISC which should be up and running by the end of May. IT was working with the MIS team to develop a secure portal through which students can access their timetables externally from any device. The online application process was also up and running.

The IT team were also working with Cala and Fusion to ensure continuity of IT services during the estates redevelopment.

A need to replace the main IT infrastructure had been identified and this would require capital investment. The costs were currently being calculated and would be brought back to the Committee.

9. Other urgent business

There was no other business

10. Date of next meeting

26 June 2024 (Finance and capital only)

Minutes approved by the Finance and Resources Committee on 26th June 2024